

ARTICLES

Articles of Incorporation of
Japanese Urological and Nephrological Disease Research Network

Chapter 1 General Provisions

(Name)

Article 1

The name of this organization shall be Tokutei Hieiri Katsudo Hojin Nihon Jinhinyoki Shikkan Kenkyu Network and in English Japanese Urological and Nephrological Disease Research Network, abbreviated JUN-net.

(Office)

Article 2

The head office of JUN-net shall be located in Niigata City, and a branch be in Yamagata City, Yamagata.

Chapter 2 Purpose and Activities

(Purpose)

Article 3

The purpose of JUN-net is to perform projects to increase awareness and carry out basic and clinical research, etc. related to urological diseases in order to make knowledge related to the diagnosis and treatment kidney and urological diseases (hereinafter “Kidney and Urological Diseases”) available to the public and to seek further improvements in the diagnosis and treatment of the same, thereby contributing to the improvement of public health.

(Types of Non-Profit Activities)

Article 4

JUN-net shall perform the following types of non-profit activities in order to achieve the purpose under the preceding Article.

- (1) Activities to promote health, healthcare and welfare
- (2) Activities to facilitate the promotion of academics, culture, art

and sports

- (3) Activities to facilitate the promotion of science and technology

(Operations)

Article 5

JUN-net shall perform the following types of non-profit activities in order to achieve the purpose under Article 3.

- (1) Projects to increase awareness of Kidney and Urological Diseases
- (2) Basic and clinical research related to Kidney and Urological Diseases
- (3) Any other activities necessary for the achievement of the purpose of JUN-net

Chapter 3 Members

(Types of Members)

Article 6

The members of JUN-net shall be of the following two categories and full members shall be deemed to be members under the Act on Promotion of Specified Non-profit Activities (hereinafter the “Act”).

- (1) Full Members: Individuals or groups, who have joined JUN-net, support the purpose and promote the activities thereof
- (2) Associate Members: Individuals or groups who have joined to support the operations of JUN-net

(Admittance)

Article 7

No specific conditions are prescribed for admittance of members.

2 Persons or groups wishing to become members shall submit to the President an application form which is separately stipulated by the President and the President must admit such applicant in the absence of any proper reason not to admit them.

3 If the President does not approve the admittance of the applicant mentioned in the preceding paragraph, the applicant must be

promptly notified to that effect in writing with reasons provided.

(Enrollment Fees and Membership Fees)

Article 8

Members must pay the enrollment fees and membership fees determined separately by the Board of Directors.

(Loss of Membership Qualifications)

Article 9

Members shall lose their membership qualifications if any of the following occurs.

- (1) Submission of a notice of resignation
- (2) Death or declaration of disappearance of the concerned person,
or dissolution of the group that is a Member
- (3) Defaults in the payment of membership fees for more than three
(3) years
- (4) Expulsion

(Resignation)

Article 10

Members may voluntarily withdraw from membership by submitting to the President a notice of resignation separately prescribed by the President.

(Expulsion)

Article 11

Members may be expelled by a resolution of the Board of Directors if any of the following occur. In this case the said member must be given the opportunity to explain himself/herself before action is taken.

- (1) Violation of laws and ordinances or the Articles of Incorporation,
etc. of JUN-net
- (2) Involvement in any activity that may damage the reputation of
this organization or is contrary to the purpose of this
organization.

(Non-Refundability of Membership Fees, etc.)

Article 12

Any payments for enrollment fees, membership fees or other money or property

contributions already received shall not be refunded.

Chapter 4 Officers and Officials

(Type and Number of Officers)

Article 13

JUN-net shall have the following Officers.

- (1) Directors: Not less than three (3) and not more than ten (10)
- (2) Auditors: Not less than one (1) and not more than three (3)
- 2 Among the Directors, one (1) shall be appointed President and not more than three (3) may be appointed Vice President(s).

(Elections, etc.)

Article 14

Directors shall be elected at the meeting of the Board of Directors, the results thereof are to be reported to the general meeting.

- 2 The President and the Vice President(s) shall be elected from among the Directors.
- 3 No more than one Officer who is the spouse of or a relative in the third degree of kinship of any one Officer may be on the Board, and the total number of such Officers must not exceed one third of the total number of Officers.
- 4 No individual who falls under any of the items provided for in Article 20 of the Act may become an Officer of JUN-net.
- 5 Auditors shall be elected at the general meeting.
- 6 Auditors may not concurrently be a Director or an Official of JUN-net.

(Duties)

Article 15

The President shall represent JUN-net and preside over all business activities.

- 2 The Vice President(s) shall assist the President and in the event the President is unable to act or is absent, a Vice President, in accordance with an order of priority predetermined by the President, shall execute duties in his/her stead.

3 Directors shall constitute the Board of Directors and execute duties of JUN-net in accordance with the provisions of these Articles of Incorporation and resolutions of the Board of Directors.

4 Auditors shall perform the following duties.

- (1) Examine the status of the Directors' execution of duties
- (2) Audit the status of the assets of JUN-net
- (3) Report to the general meeting and/or the appropriate government authorities in the event that the results of the audits pursuant to the preceding two items reveal that there are wrongful acts or material facts that violate laws, regulations or these Articles of Incorporation concerning the business or the assets of JUN-net
- (4) Convene a meeting of the Board of Directors or a general meeting when deemed necessary to make the report under the preceding item
- (5) State his/her opinion to the Directors concerning the state of the Directors' execution of duties and the status of the assets of JUN-net

(Term of Office, etc.)

Article 16

The term for Officers shall be two (2) years. However, reappointment is permitted.

2 The term of an Officer elected to fill a vacancy or increase the number of Officers shall be the remaining term of his/her predecessor or of those currently in office.

3 An Officer must continue to execute his/her duties until a successor is appointed after s/he has resigned or his/her term of office has expired.

(Supplementing Vacancies)

Article 17

Vacant positions must be supplemented without delay in the event that more than one third of the specified number of Directors or Auditors has become vacant.

(Dismissal)

Article 18

In the event an Officer falls under any of the following items, Directors may be dismissed by a resolution of a meeting of the Board of Directors at which not less than two-thirds (2/3) of the total number of Directors are present and Auditors may be dismissed by a resolution of a general meeting at which not less than two-thirds (2/3) of the total members are present. In this case the said Officer must be given the opportunity to explain himself/herself before action is taken.

- (1) they are deemed unable to execute duties due to mental or physical incapacity
- (2) they violate their official duties or act in a manner unbefitting an Officer

(Remuneration, etc.)

Article 19

No more than one third of the total number of Officers may receive remuneration.

2 Officers may be reimbursed for expenses incurred in the execution of duties.

3 Necessary terms regarding the preceding two items shall be provided for separately by the President and subject to a resolution of the general meeting.

(Officials)

Article 20

JUN-net may place a Secretary General and other Officials.

2 The President shall appoint Officials.

Chapter 5 General Meetings

(Types)

Article 21 General meetings of JUN-net are to be divided into ordinary and extraordinary general meetings.

(Structure)

Article 22

The general meeting shall consist of all full members.

(Powers)

Article 23

The following items shall be resolved at general meetings:

- (1) Amendments to the Articles of Incorporation
- (2) Dissolution and merger
- (3) Election and dismissal of Auditors and duties and remuneration of Officers
- (4) Business report and settlement of accounts
- (5) Ownership of remaining assets of JUN-net at the time of dissolution
- (6) Other material matters related to business operations

(Holding of General Meetings)

Article 24

The ordinary general meeting shall be convened once per year.

2 Extraordinary general meetings shall be convened in any of the following cases.

- (1) When the Board of Directors determines it is necessary and requests the convocation of a meeting
- (2) When one-fifth (1/5) or more of the total number of full members make a written request for a meeting specifying the purpose of the meeting
- (3) When an Auditor convenes a general meeting under the stipulations of Article 15, Paragraph 4, Item 4

(Convocation)

Article 25

The President shall convene the general meeting except in the events stipulated in Paragraph 2 Item 3 of the preceding Article.

2 When a request is made under the stipulations of Items 1 and 2 of Paragraph 2 of the preceding Article, the President shall convene an extraordinary general meeting within 30 days from the date the request was received.

3 When a general meeting is to be convened, notice including the date, time, location and purpose of the meeting and items to be considered must be made in writing or by electronic means at least 5

days prior to the date of the meeting.

(Chairperson)

Article 26

The Chairperson of the general meeting shall be appointed from among the full members in attendance at that general meeting.

(Quorum)

Article 27

A general meeting of the members cannot be held unless at least one-third (1/3) of all full members are in attendance.

(Resolutions)

Article 28

The matters to be resolved at general meetings shall be those announced in advance in accordance with the provisions of Article 25, Paragraph 3 and other matters of urgency.

2 The resolutions of general meetings shall be those stipulated in these Articles of Incorporation and shall be adopted by a majority vote of the members in attendance. Ties are to be broken by the Chairperson.

(Voting Rights, etc)

Article 29

Each full member shall have equal voting rights at the general meeting.

2 Any full member unable to attend a general meeting of the members due to unavoidable circumstances may submit written votes on matters announced in advance or delegate his/her vote to another full member as a proxy at the meeting.

3 Such voting members specified in the preceding paragraph shall be considered in attendance at the general meeting for purposes outlined in Article 27, Paragraph 2 of Article 28, Paragraph 1, Item 2 of the following Article and Article 50.

4 Those full members with special stakes in a resolution of the general meeting may not participate in the voting for such agenda.

(Minutes)

Article 30

Minutes including the following information shall be prepared for each general meeting.

- (1) Date, time, and location
 - (2) Total number of full members and number in attendance (in the event of written votes or proxy, a note of that number shall be made to that effect)
 - (3) Matters discussed
 - (4) An outline of the course of the proceedings and the results of votes
 - (5) Matters relating to the selection of persons to sign the minutes
- 2 The Chairperson and two (2) attendees appointed at the meeting to sign the minutes shall sign and affix their seals to the minutes of the general meeting.

Chapter 6 Board of Directors

(Structure)

Article 31

The meeting of the Board of Directors shall be made up of the Directors.

(Powers)

Article 32

The Board of Directors shall make resolutions concerning the following matters, in addition to those provided for in these Articles of Incorporation.

- (1) The matters to be considered and/or resolved by the general meeting
- (2) Matters relating to the execution of resolutions of the general meeting
- (3) Other matters relating to the execution of business that need not be resolved by the general meeting
- (4) Matters relating to formulation of and changes to business plans and budgets
- (5) Matters relating to enrollment fees and membership fees

(Holding of Meeting of the Board of Directors)

Article 33

The meeting of the Board of Directors shall be held in any of the following cases.

- (1) When it is judged necessary by the President.
- (2) When not less than one-half (1/2) of the total number of Directors make a written request for a meeting including a reason for the meeting.
- (3) When an Auditor requests the convocation of a meeting pursuant to Article 15, Paragraph 4, Item 4.

(Convocation)

Article 34

The President shall convene the meeting of the Board of Directors. 2 When a request is made under the provisions of Item

2 of the preceding Article, the President shall convene a meeting of the Board of Directors within 14 days from the date of request.

3 When a meeting of the Board of Directors is to be convened, notice including the date, time, location, purpose of the meeting and the items to be considered must be made in writing or by electronic means at least 5 days prior to the date of the meeting.

(Chairperson)

Article 35

The President shall serve as the Chairperson of the meeting of the Board of Directors.

(Resolutions)

Article 36

Matters to be resolved by the Board of Directors shall be limited to those announced in advance in accordance with Article 34 Paragraph 3.

2 Resolutions of the meeting of the Board of Directors shall be adopted by a majority vote of all the Directors. Ties are to be broken by the Chairperson.

(Voting Rights, etc)

Article 37

All Directors are to have equal voting rights.

- 2 Any Director unable to attend a meeting of the Board of Directors due to unavoidable circumstances may submit written votes on matters that have been announced in advance.
- 3 Directors voting in accordance with the provisions of the preceding paragraph shall be considered in attendance at the meeting of the Board of Directors for the purposes of Paragraph 2 of the preceding Article and Paragraph 1 Item 2 of the following Article.
- 4 Directors with special stakes in a resolution of a meeting of the Board of Directors may not participate in the voting for such agenda.

(Minutes)

Article 38

Minutes including the following information shall be prepared for each meeting of the Board of Directors.

- (1) Date, time and location
 - (2) Total number of Directors, number and names of Directors in attendance, (if any Director is submitting a written vote, a note is to be made to that effect)
 - (3) Matters discussed
 - (4) An outline of the course of the proceedings and their resolutions
 - (5) Matters relating to the selection of persons to sign the minutes
- 2 The Chairperson and two (2) or more attendees appointed at the meeting to sign the minutes shall sign and affix their seals to the minutes of the meeting of the Board of Directors.

Chapter 7 Assets and Accounting

(Composition of Assets)

Article 39

The assets of JUN-net are made up of the following

- (1) The assets listed in the inventory of assets at the time of foundation
- (2) Enrollment fees and membership fees
- (3) Donated funds and goods
- (4) Income derived from the assets

(5) Income from the operations

(6) Other income

(Classification of Assets)

Article 40

The assets of JUN-net are classified as those relating to specified non-profit activities.

(Asset Administration)

Article 41

The President shall administer the assets of JUN-net in accordance with methods provided separately by the President and approved by the Board of Directors.

(Accounting Principles)

Article 42

The accounting of JUN-net shall be in accordance with the principles stipulated in each Item of Article 27 of the Act.

(Account Classification)

Article 43

The accounts of JUN-net shall be classified as accounts for the business relating to specified non-profit activities.

(Business Plans and Budgets)

Article 44

Business plans for JUN-net and the budgets accompanying them shall be prepared by the President, and reported to the general meeting after being approved by the Board of Directors.

(Establishment and Use of Reserve Funds)

Article 45

Reserve Funds may be established as part of the budget and applied to budget deficits and unexpected expenditures.

2 The approval of the Board of Directors must be obtained when reserve funds are used.

(Supplementary and Revised Budgets)

Article 46

The approved budget may be supplemented or revised in the event of unavoidable circumstances with the approval of the Board of Directors.

(Reporting of Operations and Settlement of Accounts)

Article 47

Business reports, income and expenditure statements, balance sheets, inventory of properties and other documents related to the settlement of accounts of JUN-net shall be prepared by the President promptly after the end of each fiscal year and shall be inspected by the Auditors and approved at the general meeting.

2 In the event of an income surplus, the surplus shall be carried forward into the next fiscal year.

(Fiscal Year)

Article 48

The fiscal year of JUN-net shall begin on April 1st of each year and end on March 31st of the following year.

(Expedient Transactions)

Article 49

Aside from those transactions included in the budget, any loan or other new liabilities or waiver of any rights must be approved by a resolution of the Board of Directors.

Chapter 8 Amendments to the Articles of Incorporation, Dissolution and Mergers

(Amendments to the Articles of Incorporation)

Article 50

In the event JUN-net wishes to amend these Articles of Incorporation, the approval of a majority of no less than three-fourths (3/4) of the full members present at a general meeting and with the exception of minor matters specified in Article 25, Paragraph 3 of the Act, the approval of the appropriate authorities must be obtained.

(Dissolution)

Article 51

JUN-net may be dissolved for any of the following reasons:

- (1) Resolution of a general meeting
- (2) Inability to effectively carry out operations relating to the specified non-profit activities that are its objective
- (3) Shortage of full members
- (4) Merger
- (5) Decision to commence bankruptcy procedures
- (6) Revocation of the certification of establishment by the appropriate authorities

2 If JUN-net is to be dissolved pursuant to Item (1) of the previous paragraph, the approval of no less than three-fourths (3/4) of all full members must be obtained.

3 If JUN-net is to be dissolved pursuant to Item (2) of Paragraph 1, the approval of the appropriate authorities must be obtained.

(Ownership of Remaining Assets)

Article 52

Remaining assets resulting from the dissolution of JUN-net (except for dissolution due to merger or decision to commence bankruptcy procedures) shall be assigned to a juridical person among those specified in Article 11, Paragraph 3 of the Act, to be selected by a resolution of the general meeting.

(Merger)

Article 53

In the event that JUN-net wishes to carry out a merger, the approval of no less than three-fourths (3/4) of all full members present at a general meeting and of the appropriate authorities must be obtained.

Chapter 9 Method of Public Notice

(Method of Public Notice)

Article 54

Official announcements of JUN-net shall be made electronically on this corporation's official website or on the Cabinet Office NPO Corporation Portal Site.

Chapter 10 Miscellaneous Provisions

(Bylaws)

Article 55

Bylaws necessary to enforce these Articles of Incorporation shall be provided for by the President and approved by the Board of Directors.

Supplementary Provisions

- 1 These Articles of Incorporation shall become effective from the date of foundation of JUN-net.
- 2 The Officers at the time of foundation are:
 - President: Yoshihiko Tomita
 - Director: Akira Nagaoka
 - Director: Tomoyuki Kato
 - Auditor: Hiromasa Yaguchi
- 3 Notwithstanding the provisions specified in Article 16 Paragraph 1, the term of office for the founding Officers shall be the period from the date of the foundation of JUN-net to the last day of the month in which the ordinary general meeting corresponding to the closing on March 31, 2010. Provided, however, the general meeting shall be held within 3 months after the closing date.
- 4 Notwithstanding the provisions of Article 44, the initial business plan and the budget for JUN-net shall be determined at the founding general meeting.
- 5 Notwithstanding the provisions of Article 48, the initial fiscal year of JUN-net shall be from the date of foundation to March 31, 2010.
- 6 Notwithstanding the provisions of Article 8, the enrollment fees and membership fees at the time of the foundation of JUN-net shall be as follows.
 - (1) Enrollment Fee: 1,000 yen for Full Members (Individual)
 - Membership Fee: 1,000 yen (annual) for Full Members (Individual)
 - (2) Enrollment Fee: 20,000 yen for Associate Members (Group)
 - Membership Fee: 30,000 yen (annual) for Associate Members (Group)